

Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Advanced Enzymes Technologies Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Advanced Enzyme Technologies Limited ('the Company') for the quarter ended September 30, 2021 and the year to-date results for the period April 01, 2021 to September 30, 2021 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Company's Management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether standalone financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The unaudited financial results of the Company for the quarter and six months ended September 30, 2020, included in the Statement, were reviewed by predecessor auditor whose report dated November 12, 2020 expressed an unmodified conclusion on those unaudited financial results.

The unaudited financial results of the Company for the quarter ended June 30, 2021 included in the Statement, were reviewed by predecessor auditor whose report dated August 7, 2021 expressed an unmodified conclusion on those unaudited financial results.

The financial information for the year ended March 31, 2021 included in the Statement, were audited by predecessor auditor whose report dated May 29, 2021 expressed an unmodified opinion on those audited financial information.

Our conclusion is not modified in respect of these matters.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

AMRISH

ANUP

VAIDYA

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Amrish Vaidya

Partner

Membership No.: 101739

UDIN: 21101739AAAAIL6993

Place: Mumbai

Date: November 02, 2021

Statement of unaudited standalone financial results for the quarter and six months ended 30 September 2021

(₹ in Million except per share data)

	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-21 Unaudited	30-Jun-21 Unaudited	30-Sep-20 Unaudited	30-Sep-21 Unaudited	30-Sep-20 Unaudited	31-Mar-21 Audited
1	Revenue from operations	649.11	727.52	723.15	1,376.63	1,337.20	2,834.73
2	Other Income	19.02	9.43	17.36	28.45	24.65	68.23
3	Total Income (1+2)	668.13	736.95	740.51	1,405.08	1,361.85	2,902.96
4	Expenses						
(a)	Cost of materials consumed	294.19	256.10	233.87	550.29	421.02	950.34
(b)	Purchases of stock-in-trade	-	-	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(67.82)	(28.34)	(24.07)	(96.16)	(16.40)	12.74
(d)	Employee benefits expense	94.16	111.74	89.51	205.90	172.66	342.34
(e)	Finance costs (including exchange difference)	0.08	0.08	0.17	0.16	0.60	0.84
(f)	Depreciation and amortisation expense	22.91	22.68	21.55	45.59	42.73	89.32
(g)	Other expenses	152.16	123.83	137.42	275.99	241.84	523.10
	Total expenses	495.68	486.09	458.45	981.77	862.45	1,918.68
5	Profit before exceptional item and tax (3-4)	172.45	250.86	282.06	423.31	499.40	984.28
6	Exceptional item	-	-	-	-	-	-
7	Profit before tax (5-6)	172.45	250.86	282.06	423.31	499.40	984.28
8	Tax expense						
	Current tax	44.80	65.14	81.08	109.94	142.17	248.44
	Deferred tax charge/(credit)	(0.76)	0.24	(0.36)	(0.52)	2.68	25.72
	Total tax expense	44.04	65.38	80.72	109.42	144.85	274.16
9	Net profit for the period (7-8)	128.41	185.48	201.34	313.89	354.55	710.12
10	Other comprehensive income						
A (i)	Items that will not be reclassified to Profit or Loss						
	Remeasurements of defined benefit liability/(asset) #	0.00	(5.33)	(1.29)	(5.33)	(2.19)	(0.39)
	(ii) Income tax related to items that will not be reclassified to Profit or Loss #	0.00	1.34	0.38	1.34	0.64	0.10
B (i)	Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	(ii) Income tax related to items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Total Other comprehensive income	0.00	(3.99)	(0.91)	(3.99)	(1.55)	(0.29)
11	Total comprehensive income (9+10)	128.41	181.49	200.43	309.90	353.00	709.83
12	Paid-up Equity Share Capital (Face Value ₹ 2 each fully paid up)	223.56	223.56	223.36	223.56	223.36	223.46
13	Other equity						4,131.00
14	Earnings Per Share of ₹ 2 each (not annualized)						
(a)	₹ (Basic)	1.15	1.66	1.80	2.81	3.17	6.36
(b)	₹ (Diluted)	1.14	1.66	1.80	2.80	3.17	6.35

Figures are below Rs 0.01 Million, hence disclosed as Rs 0.00

Statement of standalone assets and liabilities

Particulars	(` in million)	
	As at 30 Sep 2021 Unaudited	As at 31 March 2021 Audited
I. ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	1,277.93	1,298.34
(b) Capital work-in-progress	23.22	19.61
(c) Other Intangible assets	8.38	11.96
(d) Intangible assets under development	54.03	53.79
(e) Financial Assets		
(i) Investments		
- Investment in subsidiaries	1,726.22	1,514.97
- other investment	0.62	0.62
(ii) Loans	288.04	275.88
(iii) Other financial assets	12.67	12.67
(f) Income tax asset (net)	105.93	92.55
(g) Other non-current assets	10.06	9.33
Total non-current assets	3,507.10	3,289.72
(2) Current Assets		
(a) Inventories	791.02	634.22
(b) Financial Assets		
(i) Investments	116.38	329.25
(ii) Trade receivables	556.34	547.41
(iii) Cash and cash equivalents	7.33	15.05
(iv) Bank balances other than (iii) above	6.07	3.65
(v) Loans	0.31	0.27
(vi) Other financial assets	14.73	16.06
(c) Other current assets	77.10	56.88
Total current assets	1,569.28	1,602.79
Total assets	5,076.38	4,892.51
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	223.56	223.46
(b) Other equity	4,343.26	4,131.00
Total equity	4,566.81	4,354.46
(2) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	1.75
(b) Provisions	9.94	9.94
(c) Deferred tax liabilities (net)	114.10	115.96
Total non-current liabilities	124.04	127.65
(3) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1.95	7.29
(ii) Lease liability	0.70	2.08
(iii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	3.79	1.91
b) total outstanding dues of creditors other than micro enterprises and small enterprises	243.58	223.36
(iv) Other financial Liabilities	95.80	94.66
(b) Other current liabilities	20.72	59.79
(c) Provisions	18.16	20.49
(d) Current tax liabilities (net)	0.83	0.82
Total current liabilities	385.53	410.40
Total equity and liabilities	5,076.38	4,892.51

Advanced Enzyme Technologies Limited

CIN No.: L24200MH1989PLC051018

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	30 Sep 2021 Rs. in million Unaudited	30 Sep 2020 Rs. in million Unaudited
A. Cash flows from operating activities		
Profit before tax	423.32	499.40
	423.32	499.40
Adjustments for non-cash transactions		
Depreciation and amortization expense	45.59	42.73
(Profit) / Loss on sale of property, plant and equipment	0.01	0.12
Provision for doubtful trade receivables provided / (written back)	1.25	0.65
Employee stock compensation expense	-	2.52
Guarantee commission	-	(0.30)
Excess provision written back #	0.00	-
Sundry balances written off/ (back) (net)	(0.05)	0.08
Unrealized foreign exchange loss/(gain)	0.91	(0.37)
Fair value adjustment on investments	(1.21)	(0.53)
	469.82	544.30
Items considered separately		
Interest income	(12.41)	(12.44)
Interest expenses	0.16	0.60
Dividend income	(9.00)	(9.60)
Operating profit before working capital changes	448.57	522.86
Adjustments for working capital changes.		
(Increase) / Decrease in other non-current assets	1.49	0.44
(Increase) / Decrease in inventories	(156.79)	(73.29)
(Increase) / Decrease in trade receivables	(11.07)	43.32
(Increase) / Decrease in Current loans	(0.04)	(0.12)
(Increase) / Decrease in other current financial assets	1.33	(6.68)
(Increase) / Decrease in Other current assets	(20.22)	5.54
(Decrease) / Increase in provisions	(7.64)	(6.65)
(Decrease) / Increase in trade payables	22.03	24.12
(Decrease) / Increase in other current financial liabilities	7.85	6.08
(Decrease) / Increase in other current liabilities	(39.08)	2.88
Cash generated from operating activities	246.43	518.50
Income taxes paid (net)	(123.33)	(90.78)
Net cash generated from operating activities	123.10	427.72
B. Cash flows from investing activities		
Purchase of property, plant and equipment (tangible and intangible both)	(34.92)	(51.22)
Proceeds from sale of property, plant and equipment	-	0.07
Purchase of intangible assets (net of refunds)	(0.24)	(0.41)
Purchase of non-current investments	(211.25)	-
(Purchase) / Proceeds from sale of current investments (net)	212.50	(116.55)
Interest received	0.25	1.38
Dividend received	9.00	8.88
(Increase) / Decrease in bank deposits with maturity more than 3 months but less than 12 months	(0.05)	(87.56)
(Increase) / Decrease in bank deposits with maturity of more than 12 months #	(0.00)	(0.00)
Net cash (used in) investing activities	(24.71)	(245.41)
C. Cash flows from financing activities		
Proceeds from issue of share capital including securities premium	3.03	-
Repayment of long-term borrowings (net)	(1.75)	(8.58)
Repayment of short-term borrowings (net)	(5.25)	(78.53)
Interest paid	(0.16)	(0.60)
Payment of Lease liabilities	(1.38)	(1.54)
Dividends paid (including dividend distribution tax)	(100.60)	(67.01)
Net cash (used in) financing activities	(106.11)	(156.26)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(7.73)	26.05
Cash and cash equivalents as at the beginning of the period	15.06	26.69
Cash and cash equivalents as at the end of the period	7.33	52.74
Composition of cash and cash equivalents		
Cash in hand	0.39	0.33
Balance with banks :		
Current account	6.47	51.97
Fixed deposit account (with maturity less than 3 months)	0.47	0.44
	7.33	52.74

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CIN No.: L24200MH1989PLC051018

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Notes:

(i) The above standalone financial results of the Advanced Enzyme Technologies Limited ('the Company') were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 2 November 2021. The above results have been subjected to 'limited review' by the statutory auditors of the Company and they have expressed an unmodified opinion. The limited review report will be filed with stock exchanges and will be available on the Company's website. The above results has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies in India.

(ii) The Company operates only in one business segment viz. 'manufacturing and sales of enzymes'.

(iii) The Company has allotted 49,875 equity shares during the quarter ended 30 June 2021 to employees under the 'AETL Employee Stock Option Scheme 2015'- ('AETL ESOS 2015').

(iv) Effective 18 August 2021, the Company has acquired additional stake of 15% in its subsidiary JC Biotech Private Limited for a consideration of Rs 211.25 million. Post this additional acquisition the Company holds 85% stake in the subsidiary.

(v) The Company has considered internal and external information while assessing recoverability of its assets disclosed in the financial statement upto the date of approval of these financial results by the Board of Directors. Based on such assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets. The Company has also considered the impact of COVID-19 on the business for the foreseeable future and has concluded that the Company has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

(vi) Previous year / period amounts have been regrouped / reclassified wherever necessary.

By Order of the Board of Directors

For Advanced Enzyme Technologies Limited

CIN: L24200MH1989PLC051018

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Dated: 2 November 2021

M. M. Kabra

Wholetime Director

DIN : 00148294